



Local Governance & Regulatory Authority Recognized

You've likely heard the term *Distributed Generation* or DG. DG refers to generally small-scale electric generation facilities (for instance, a solar panel or wind turbine) that is privately-owned and located at or near where its electric output will be used. These DG sites are often also connected to the distribution utility's grid.

The rules and regulations pertaining to DG interconnection were addressed during the 2017 Minnesota Legislative Session. Discussion centered around what regulatory body is responsible for the conditions of interconnection, rates, metering, contracts and agreements, and so forth. Should it rest with the Minnesota Public Utility Commission (PUC)?

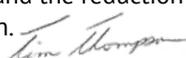
Minnesota's electric cooperatives viewed the PUC regulation as a duplication. Designed as self-regulating utilities, electric cooperative directors are elected to not only oversee the cooperative's business operation but to set rates and policies. This cornerstone of the co-op business model keeps electric cooperatives connected with and accountable to their member-owners. Why shouldn't the responsibilities pertaining to DG be those of the local electric cooperative board of directors?

After all, the municipal utilities in Minnesota have had similar authority for more than 30 years.

The Minnesota Legislature passed, and Governor Dayton signed, a provision determining that electric cooperative boards of directors could "opt-in" and accept the governing responsibilities for the connection of DG to their distribution systems. Lake Region's board accepted this, acknowledging that the rules and regulations it will administer remain in accordance with state guidelines.

This was an important legislative victory for Minnesota's electric co-ops because it upheld local democracy. The clarification in Minnesota Statute 216B.164 secures local decision-making and does not substantively change how your cooperative interacts with DG.

We are very pleased that Minnesota's 44 electric distribution cooperatives achieved a favorable legislative ruling in this matter. The legislative determination reinforces the fact that, as member-owned and member-controlled utilities, electric cooperatives are innovative and responsive entities, fully capable of providing the oversight and self-regulation in all matters of rates and policy. We scored a big one for the co-op business model, local democratic control, and the reduction of regulatory duplication.




Snowmobile Safety

Lake Region Electric Cooperative would like to remind snowmobile enthusiasts of all ages to be cautious while snowmobiling. Heavy snow and drifting can bury electrical equipment, causing dangerous situations for snowmobilers. Please remember to be safe.

- Watch out for power poles, guy wires, and electrical equipment that can be hidden in the snow. Heavy snowfalls can often bury transformer boxes and cabinets.
- Slow down, know the area where you are snowmobiling, and stay on the trails.
- If you see a downed power line, stay away from it and call 911. There is no way to tell if a power line is energized just by looking at it. Always assume it is live and can carry currents strong enough to kill.
- Always wait for help to arrive before you approach an accident scene where a power line may be involved.
- Share this important information with family, friends and anyone you know who rides a snowmobile.

2018 District Meeting Schedule

- ◆ **District 1:** February 8th, 2018, 6:30 p.m.
LREC Headquarters, Pelican Rapids
- ◆ **District 4:** February 9th, 2018, 10:00 a.m.
Dent Community Center, Dent
- ◆ **District 7:** February 8th, 2018, 2:00 p.m.
Grace United Methodist Church, Fergus Falls



2018 Home Show Schedule

Come see us at a show near you!

Lakes Area Home & Cabin Show
PACC, Perham:
March 9th & 10th, 2018

Lake Region Builders Association Home & Sport Show
Kent Freeman Arenas at the Fairgrounds, Detroit Lakes:
March 24th & 25th, 2018

Operation Round Up Awards Over \$33,000 to Local Groups



More than one hundred local organizations recently received funds through Lake Region Electric Cooperative's Operation Round Up Program. A total of \$33,050 was awarded to support a variety of organizations within the co-op's service area.

The funds were distributed by the Operation Round Up Board of Trustees at a January 8th meeting. Beneficiaries include county 4-H extension offices, fire departments, food shelf pantries, post prom committees, local college and high school scholarship foundations, county fairs, and community festivals. Funding to area food pantries will be sent in March to optimize matched donations during Food Share Month.

"The trustees for Operation Round Up make it a priority to keep funding in our service area where it benefits rural members in particular," says Millie Ness, Operation Round Up Board of Trustees Chair. "Awarding donations to these organizations distributes funding to all our communities."

Operation Round Up is a charitable fundraising program through Lake Region Electric Cooperative. The trust fund is overseen by a volunteer, nine-member board of trustees, who are selected to serve by LREC's board of directors. Since October 2007, LREC's Operation Round Up Program has awarded a total of \$158,588.64 to area organizations.

Members make the program possible by choosing to "round up" their monthly electric bills to the nearest whole dollar. On average, this equates to a \$6 donation per year. In addition to monthly member contributions, unclaimed capital credits are now being added to LREC's Operation Round Up fund. To be a part of this voluntary program, check the box on your billing statement or email billing@lrec.coop. You may also complete the Operation Round Up Participation Agreement available on LREC's website and send it into the cooperative.

Give a little.

Help a lot.



Recent Donations Will Benefit:

- 5 County 4-H Extension Offices
- 5 County Fair Associations
- 27 Area Fire Departments
- 14 Food Shelf Pantries
- 13 Post Prom Committees
- 21 Scholarship Awards
- 23 Community Festivals & Events

Operation Round Up Deadline for Applications:

MARCH 15TH

Visit www.lrec.coop/oru to download an application.



Call Now for a 2018 Generator Installation

Now is the time to start thinking about installing a generator in 2018. Last year, Lake Region Electric Cooperative experienced such an enthusiastic response to its new standby generator program that some installations could not be scheduled until this spring.

If you are interested in purchasing a Briggs & Stratton Standby Generator through the cooperative, call LREC to arrange a site visit to size a generator, get a quote, and sign a sales agreement to make sure your generator will get installed this year. "We are proud to offer quality standby generators from a reputable company like Briggs & Stratton and happy to make these whole house systems affordable through our **EASY-PAY** purchase plan," says Dan Husted, VP Business Development at LREC.

Lake Region Electric Cooperative energy management specialists will continue to

schedule site visits and provide price quotes throughout the winter in preparation for installations beginning again in the spring. "We know we can't control Mother Nature, but we can do our best to be prepared," notes Steve Haiby, LREC Manager of Marketing/Energy Management. "Get a jump on the construction season and give us a call now at (800) 552-7658 to schedule a site visit and consultation for an early spring 2018 installation."

Members interested in learning more about LREC's standby generator offerings are encouraged to stop by the co-op's booth at one of the upcoming area home shows. The Perham Home & Cabin Show will take place March 9th and 10th. A second home show is planned in Detroit Lakes on March 24th and 25th. LREC employees will be on hand to answer any questions you may have.



Member Thanks LREC for Generator Install

After a transmission outage resulted in four hours without power this winter, member Marcy Vavricka sent an email to LREC thanking the cooperative for recently selling her a Briggs & Stratton Standby Generator that seamlessly kicked in when the power went out.

"I had been thinking about getting a generator for years," she said. "Now that I live by myself I knew I wanted one, especially because of the winters. Sitting in the dark

without lights is about the worst thing. I am really happy I decided to get one."

With LREC offering the sale, installation, and a maintenance plan for the generator, Vavricka said the entire process worked very smoothly. "Everybody was so great to work with and I am very happy with where they located the generator. I now have some friends who are going to call Lake Region to get a generator for their homes."

2018 Residential Energy Efficiency Rebates

Heating and Cooling

Heat Pump Systems	<i>Ductless air source heat pump—ENERGY STAR</i>	\$300
	<i>Air source heat pump, SEER 14.5 -16+</i>	Up to \$630*
	<i>Geothermal heat pump, closed loop</i>	Up to \$400 per ton
	<i>Geothermal heat pump, open loop</i>	\$100 per ton
Central Air Conditioners	<i>Central air conditioner, SEER 13 -16+</i>	\$50/unit*
Electric Thermal Storage (ETS) Heating Systems	<i>Steffes ETS systems on short term storage</i>	\$25 per KW
	<i>All ETS systems on long term storage</i>	\$50 per KW
Home Energy Audit	<i>Audit includes inspection of building envelope, blower door test, infrared camera scan, furnace combustion test, health & safety check, and a report identifying conservation recommendations and potential savings.</i>	Up to \$100
ECM Motor	<i>Electronically Commutated Motor</i>	\$50

*Rebates for high efficiency air source heat pumps and air conditioners are available only through qualified contractors registered at HVACRedu.net. Go to www.lrec.coop and click on "QI A/C & ASHP Contractors" under **Quicklinks** to find qualified contractors in your area.

2018 Residential Energy Efficiency Rebates

Water Heating

Heat Pump Water Heater	<i>Must be ENERGY STAR</i>	\$500
ETS Water Heater (4.8¢ rate)	<i>Must be at least 100 gallons and grid enabled</i>	\$400
Peak Shave Water Heater (5.4¢ rate)	<i>Must be at least 80 gallons and grid enabled</i>	\$100

Appliances

Dehumidifier	<i>Must be ENERGY STAR</i>	\$25
Refrigerator or Freezer	<i>Must be ENERGY STAR</i>	\$75**
Clothes Dryer	<i>Must be ENERGY STAR</i>	\$25

Miscellaneous

LEDs	<i>LEDs purchased through www.lrec.coop</i>	\$2 per bulb
Electric Vehicle Charger Installation	<i>Level 1 & 2 chargers qualify</i>	Up to \$500

** For replacement of existing refrigerator or freezer with recycling of existing unit

All Rebates are subject to change, please contact LREC to verify availability